1. Country and Sector Background
The rural sector plays a vital role in the economy of the Kyrgyz Republic. According to the World Bank Poverty Assessment Report 2007, two thirds of the country’s population is rural, agriculture accounts half of all employment and a third of GDP, and the Kyrgyz Republic is a net exporter of agricultural goods. Almost three quarters of the poor live in the rural areas, where the prevalence of poverty is higher than in urban areas: 51 percent compared to 30 percent of the urban population. Furthermore, between 2006 and 2007 the Kyrgyz economy faced a sharp increase in consumer prices (20.1 percent). This reflected the increase in food prices that make up about 46.6 percent of the official CPI. On main food items the price escalation reached 62.6 percent (e.g. flour and bakery products), and fuel prices showed increases up to 36.7 percent. This crisis negatively affected the terms of trade as the country is a net importer of both wheat and fuel. The rising food prices generated significant distributional and poverty impacts, especially among the most vulnerable.

Since the area of arable land is relatively small and fragile while pasture areas are abundant, livestock is an important additional source of income. Livestock is of great economic and nutritional importance\(^1\) especially in mountainous areas, where it plays a vital role by providing food for the family table, cooking fuel, products for sale in local markets, and a source of additional income, being disposed of for cash in times of unexpected need. Livestock

\(^1\) Livestock contributed 44% to sector growth between 1992 and 2004 (World Bank Livestock Sector Review 2006).
productivity therefore has a direct impact on food security both in terms of home consumption and provision of cash to buy food.

Traditionally, Kyrgyz farmers live as livestock breeders and move their animals between the valley floors and the high mountain pastures (jailoos) on a seasonal basis (6-8 months a year). Movement of livestock between regions is also common in the jailoo season, when livestock moves away from seasonal drought in order to find grazing and water. Such movements as well as trade and exchange inevitably bring livestock from different groups into contact and are viewed as a principal cause of the spread of livestock infectious diseases.

According to livestock disease data\(^2\), zoonotic diseases have already became both an economic and social problem that afflicts the livestock-based population, increases their vulnerability and aggravates rural poverty. For people living on less than $ 2.15 per day, death of even one animal or culling because of an infectious disease has a disastrous effect on household food security and nutrition. Evidence from the State Veterinary Department (SVD) 2008 suggests that the livestock population in Kyrgyzstan is still continuously exposed to the risk of livestock diseases which results in a significant reduction in livestock production and impedes livestock development.

The World Bank Livestock Sector Review\(^3\) 2006 commented that the changes to the livestock management systems, the end of the guaranteed supply of vaccines and drugs, and the deficiencies in the animal health service delivery system had combined to bring about an increase of animal and animal-related human diseases. Recent surveys in Kyrgyzstan indicate the human prevalence of brucellosis, which people contract from sheep and cattle, to be amongst the highest in the world and analysis of the economic impact of this disease has motivated the Government to act. It has also been estimated that more than 30,000 people are infected with echinococcosis of animal origin which is reflected in more than 1,000 clinical cases reported for treatment annually. Recent outbreaks of anthrax in people further emphasize the critical situation in a rural population already suffering under the recent food crisis. The situation in Kyrgyzstan has been recognized by the authorities to be a complex interaction amongst animals, people and the ecosystem requiring a “one health” approach to prevention and control.

2. Objectives
The PDO of the original AISP is to improve the institutional and infrastructure environment for farmers and herders, with a strong emphasis on the livestock sector. More specifically, the project is intended to increase farmers’ productivity, particularly of livestock farmers, in the project areas and reduce animal diseases that have a public health impact (e.g. brucellosis).

The PDO was revised after the Additional Financing IDA Grant (P112186) for the AISP had been approved to include the following additional objectives within the scope of the Global Food Crisis Response Program: (i) contribute to reducing domestic grain price volatility, and (ii) supporting grain productivity growth to ensure an adequate food supply response.

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\(^2\) SVD Annual Report on Infectious Disease Incidence, 2008
\(^3\) Kyrgyz Republic, Livestock Sector Review: Embracing the New Challenges, 2006
A revised PDO, *{To improve the Recipient’s institutional and infrastructure environment for more productive, profitable and sustainable livestock and crop production by pasture users and smallholder farmers, as well as to reduce the economic impact of the zoonotic disease burden in the human population}* is proposed under a first-order restructuring being processed separately but in parallel to the AF. The additional project outcomes would be added to monitor the impact of the activities proposed under the second Additional Financing.

3. Rationale for Bank Involvement
Bank assistance in the agricultural and rural sector has been important and effective over the last decade. IDA has led the policy and institutional development dialogue with the Government for the rural economy. The Bank’s essential role has also been reflected in the strong portfolio of investment operations supported by IDA. At present, the Agricultural Investments and Services Project (AISP) and the Additional Financing for the Agricultural Investments and Services Project (AF AISP) are two of the core IDA operations in Kyrgyzstan. While the AISP was designed to provide long-term support for institutional reform and capacity building related to community-driven pasture management, agricultural production, investments and services, the AF AISP is an emergency intervention that provides additional short-term support to the agricultural sector to respond to the recent food price increases.

The AISP provides support to the improvement of pasture management, rural advisory services and veterinary services (public and private). It also supports community mobilization for direct delivery of services to beneficiaries through village-based organizations such as pasture management committees (PMCs) and farmer organizations in all 462 rural communities (aiyl okmotus) throughout Kyrgyzstan. Through its specific support for a regional focused program to control brucellosis, the project will significantly contribute to improved public health. The EU facility for Support to Animal Health and Feeding naturally complements this project.

While the AISP addresses many aspects of livestock production, its support for specific diseases is limited to brucellosis control in one of the country’s seven oblasts. Additional Grant funding of EUR 6.7 million from the European Union will allow more comprehensive support to the development and implementation of a national disease control strategy, covering a wider range of diseases and providing greater support for animal feeding. The EU facility will also address major adverse economic and social impacts resulting from recent food crisis in the country and reduce the loss in livestock population. The World Bank will administer the implementation of the EU Facility in parallel with the implementation of the AISP and AISP AF.

4. Project Description
The project is comprised of the following four main components: (i) Pasture Management and Improvement; (ii) Agricultural Support Services; (iii) Project Management; and (iv) Food Security. The Project Components and Project Development Objective of the original AISP (P096993) will remain the same; however two new sub-components will be proposed to be added to the Component II of the original AISP. These are (i) Animal Health, and (ii) Animal Feeding. The detailed description of sub-components is provided below. Furthermore, new project indicators would be added to include additional project activities. The Closing Date of the original AISP is 30 June 2013. Implementation of additional activities should be completed by December 31, 2011, so there is no need to extend the current Closing Date of the project.
EU funding will support the development of a national disease control action plan; establishment of an animal disease surveillance and monitoring system through improvement of surveillance systems; upgrading of laboratories; establishment of a national animal disease information system; implementation of a national public information campaign; training SVD and private veterinarians; implementation of a comprehensive, nationwide vaccination and testing program for eight diseases (FMD, anthrax, rabies, brucellosis, sheep pox, PPR, echinococcus, tuberculosis); and studies to provide baselines and quantify the impact of the program. EU funding for the animal feeding program will allow implementation of a new training program for 462 community-based pasture management committees (PMCs) in drought preparedness and allow geographical expansion of the special extension program for animal feeding and husbandry.

**Animal Health (EUR 6,256,290)**

The animal health activities will be implemented under the AISP Livestock and Veterinary Services Sub Component. The project will assist the SVD to improve its international evaluation (OIE/PVS) rating to a satisfactory level and to position it for effective fulfilment of its mandate for zoonotic disease monitoring and control. The SVD is already receiving considerable support under the EU Food Security Program (EUFSP) and under the ongoing IDA-assisted HPAI Control Project. The additional funding (AF) will complement and expand these efforts. The SVD will identify one technical manager to supervise the program and coordinate with the APIU on all aspects of implementation as outlined below. In addition, the SVD will appoint two field technical staff to oversee implementation of all aspects of the vaccination and training program.

(a) National Disease Control Strategy and Action Plan (EUR 352,875)

The additional funding will provide international and local TA to support the development of a “documented and approved”, science-based national animal disease control strategy and annual disease control plans. The strategy will describe the economic and social impact of each disease as a justification for investment in control measures. It will also indicate methods and minimum standards for surveillance and monitoring, the preferred control strategy at various levels of prevalence for each disease, minimum specifications and standards for vaccine procurement and cold chain management, the approach to administering and monitoring vaccination in the field including the role of contracted private veterinarians and public sector vets in disease control and the approach to cross-border control. The medium-term and annual plans will be based on surveillance information, provide a detailed budget, and a plan for surveillance, procurement, distribution, vaccination administration and monitoring, and they will be linked to concurrent GOK budgetary commitments. To the extent that the AF is intended to support the control of zoonotic diseases in the animals of origin, close consultations and cooperation will be undertaken with the Ministry of Health (MoH) and especially focusing on coordination with the village health committees. It is envisaged to train up to 44 raion SVD staff and 800 private veterinarians, as well as to carry out communication activities for herders and farmers in 462 ayl okmotus. This activity is expected to lead to a sustainable national animal disease control strategy and reporting system.

(b) Animal Disease Surveillance and Monitoring (EUR 5,903,415)
(i) Surveillance and Laboratory Upgrading (EUR 426,943)

The AF will support the implementation of more effective scanning and targeted surveillance methodologies to refine and focus the vaccination programs supported under the project and provide for ongoing monitoring of disease burden in the national herd and flock. This will include provision of vehicles for rapid response teams, technical assistance, training and equipment to SVD and especially training for the SVD epidemiology unit to manage this process. This activity will include intensive technical training for about 15 SVD staff members from HQ SVD and about 60 SVD staff members from 30 raion SVD offices.

The AF will also provide funds for additional capital investments and capacity building for the Central Veterinary Laboratory, beyond that being provided under the HPAI Project, so as to strengthen laboratory diagnostic capability, particularly as it relates to brucellosis and other priority diseases. To strengthen veterinary research capabilities, the Veterinary Research Institute (VRI) will receive targeted support to upgrade its laboratory facilities and staff capacity in epidemiological analysis, along with additional equipment and funds to acquire and translate international scientific publications. This will be integrated with international support through the HPAI Project and the institutional twinning arrangements with the Swiss Federal Veterinary Office under the AISP. This activity is expected to lead to a reliable diagnostic service for the diseases in question.

(ii) National Animal Disease Information System (EUR 76,361)

The AF will support the establishment of a National Animal Disease Information System (NADIS), including the epidemiology unit. It will provide the information and management required to develop the national vaccination strategy and the medium-term and annual vaccination plans. The NADIS will include the following information:

- Surveillance results: Prevalence of diseases in humans and animals by region based on SVD surveillance. This will determine the disease control approach (e.g. vaccination or test and slaughter) and will trigger emergency vaccination in case of sporadic outbreaks of certain diseases.
- Procurement: Bid and contract information and the status of vaccine procurement for each procurement contract.
- Financial: Financial database (based on 1C or similar software) recording the budget, actual expenditure and outstanding budget for the vaccination program and payments to private vets.
- Inventory and distribution information: Distribution dates, location and expiry dates of vaccines and supporting materials in stock at each stage of the cold chain.
- Vaccination and monitoring: A record of vaccination contracts with private vets, vaccinations conducted, payments made to vaccinators, results of post vaccination testing and performance of vaccination teams. An external audit of the vaccination program will be conducted in each year of the program.

The AF will finance the design, software purchase, installation and training of SVD staff required for establishment of NADIS in the epidemiology unit of SVD. The training of SVD staff will encompass capacity building for up to 10 SVD staff and 40 raion staff in the NADIS network.
(c) Public Information Campaign (EUR 304,899)

The AF will support a nation-wide public information campaign which will involve village meetings with village health committees and farmers’ organisations, by community health workers and extension services as well as radio and TV bulletins. This information campaign will explain the benefits of the program in terms of human health and livestock productivity, provide details of how the vaccination campaign will be implemented in the villages and what other measures the public can take to minimise the transmission of zoonotic diseases.

(d) Training (EUR 737,998)

Training Veterinarians: The AF will fund short-term training of state and private veterinarians. Private veterinarians will receive up to 15 days professional development training annually in years one and two to upgrade their professional skills. In addition, specific training will be provided at three levels to support the vaccination program. Two senior SVD staff, comprising the national vaccination technical team, will be supported by international TA to provide 5 days training to a team of 8 oblast veterinarians. The 8 oblast veterinarians will provide 2 days training to 43 raion-level veterinarians, and these will provide 1 day training to 2 people from each of the teams of vaccinators. In total, it is planned to train about 1,500 veterinarians. Training, tailored to the specific needs of each of the three levels, will be provided each year on the following topics: (i) overview of the impact of target diseases, the national vaccination strategy, the medium-term and annual vaccination plan, and the vaccination management information system; (ii) public awareness and the role of the community in disease control; (iii) storage and application of vaccines; (iv) administrative and contractual aspects of the vaccination program. This training will be repeated annually.

Training Pasture Management Committees (PMCs). The AF will support several days of training annually for each PMC to explain its role in the vaccination program. Under the AISP, PMCs are currently being established in each Aiyl Okmotu (AO) to give communities control over pasture management. Once established, PMCs will sign contracts with private veterinarians to undertake vaccinations. Farmers’ shares of vaccination costs will be collected simultaneously with pasture use fees. The PMCs will play a critical role in ensuring that all livestock are vaccinated before entering pastures. This effort will be coordinated with the village health committees. It is envisaged to train 5 people per PMC, which in total will come up to about 2,000 trained people.

Training laboratory staff: The AF will fund the training of oblast and raion laboratory staff in diagnostics for disease surveillance of the additional diseases, using the equipment to be provided with EU funding as described above. This activity will include specific laboratory technical training for about 15 people, as well as training on sample collection and submission for about 500 SVD and private veterinarians.

(e) Procurement of Equipment for SVD and Private Vets (EUR 669,811)
The AF will fund the improvement of the cold chain for vaccines and provide notchers, tattoo pliers, protective clothing and refrigerators to private veterinarians to support the vaccination program. This will include provision of refrigerators for 462 ayil okmotus and 40 raions, as well as ancillary equipment for these units, and equipment and materials for vaccination teams throughout the country. The refrigerators at the A/O level will be included as part of the grant allocation for private veterinarians being supported by the project. The raion level refrigerators will be installed in the raion state veterinary department office sand maintained by them. In its turn, this will ensure the distribution and delivery of high quality and effective vaccines from the vaccine storage in Bishkek to the farms.

(f) Procurement of Vaccines, Diagnostics Kits and Disinfection Materials (EUR 2,720,901)

The AF will fund procurement of vaccines for foot and mouth disease (FMD), anthrax, rabies, brucellosis, sheep pox, PPR, anthelmintics for dogs to prevent the spread of echinococcosis, diagnostic kits for tuberculin testing, and disinfectants and other tools for control of anthrax burial grounds and other uses. The annual disease control plan will determine the volume of vaccines to be procured, taking into account the considerable under-reporting of animal numbers. The determination of the required number of doses includes nationwide coverage for target diseases, minus current stocks or procurement already planned under the AISP, plus a small strategic stock to respond to sudden outbreaks of certain diseases. In the past, the late provision of funds and late procurement of vaccines undermined the effectiveness of vaccination programs. In order to ensure timely procurement of vaccines, particularly those to be administered in spring, procurement will begin in the year preceding the year of vaccination. This will be contingent upon the shelf life of each vaccine type and establishment of the vaccine inventory and management system before procurement begins. For FMD and sheep pox an additional strategic stock will be maintained to allow a rapid response in case of an outbreak. The procurement of vaccines and diagnostic reagents will be co-financed by government with increasing annual contributions. Vaccines will be procured under international tender from OIE-certified suppliers. The program will also consider reform of the current vaccine import and licensing policies to promote more effective vaccine delivery and accessibility in the future. This would include mechanisms for sustainable procurement through government budget commitments or user fee-for-service programs through private veterinary drug distributors.

(g) Vaccination program delivery and EU Visibility (EUR 537,957)

The program will be finance technical assistance, contracting and operational expenses, as deemed necessary, for a network of public and contracted private veterinarians to carry out the vaccination program. Program implementation will be preceded by a comprehensive public awareness campaign to sensitize livestock owners, gain acceptance and buy-in to maximize farmer-owner participation and support, to ensure future sustainability on a fee-for-service basis, and to highlight the international support from the EU and other donors.

(h) Monitoring and Evaluation of the Vaccination Program (EUR 428,545): M&E activities (described in detail below) will essentially finance international and local technical assistance to be provided for assessment of the vaccination program.
(i) Vaccination Supervision.

Supervision teams including AISP and SVD staff will aim to monitor 50% of vaccination teams during the vaccination period each year in order to ensure that vaccines are administered correctly to the right animals, to assess coverage, and to identify any practical problems the vaccination teams may encounter. This requires a large number of staff, because the vaccination window for brucellosis in the spring is very short. International and local technical assistance will also be provided to undertake baseline and repeater surveys to assess the economic impact of the program and to help determine when changes in strategies for dealing with each disease are appropriate.

(ii) External Vaccination Audit:

The AF will provide support for monitoring and evaluation of the vaccination program, including an external audit of the system focusing on reconciliation of procurement, inventories, distribution, delivery and application of the vaccine in the field. This will be linked to impact assessments and results of vaccination in terms of reduction in disease incidence and prevalence.

(iii) Baseline and Impact Assessments:

The AF will provide international and local TA to undertake a baseline survey and subsequent annual impact assessment studies to estimate the financial, economic and social benefits of the program in terms of human and animal health. This is critical to demonstrate the necessity and benefits of the program to the public, to encourage their participation, and to demonstrate the importance of continued government financing of the program.

Expected Results

A national disease control strategy and action plan will be updated annually. The SVD epidemiology unit and laboratories will be equipped and trained to implement effective surveillance, and NADIS will be operational as a foundation for the national disease control strategy and action plans by 2010. A nationwide public information campaign will be implemented annually to maximise participation in the vaccination program. SVD and private veterinarians at oblast, raion and AO level will receive professional development training, and these veterinarians along with PMCs will receive specific training in the management of the vaccination program. Vaccines and testing materials will be procured, a cold chain will be established, an annual vaccination program will be conducted for eight target diseases, and anthrax burial sites will be disinfected. 50% of all vaccination teams will be monitored annually, random post-vaccination testing will be conducted nation-wide, annual external audits of the vaccination program will be implemented, and baseline and repeater surveys will be conducted to estimate the financial and economic impact of the program. Specific output targets are indicated in the logical framework matrix in Annex 1.

Animal Feeding (EUR 443,710)
A minimal level of adequate nutrition is essential for animal health, to ensure protective immune response to the vaccination program, and to ensure survivability in the face of the food and feed crisis. The animal feeding component will train trainers and farmers in animal feeding and husbandry and will assist PMCs to prepare plans to deal with drought, to improve access to pastures, and to improve the supply of forage and animal feed. This will be done through the TOT (training of trainers) and scale up and transfer to the extension people affiliated with each of PMCs.

(a) *Special Extension Program in Animal Feeding and Husbandry (EUR 237,882)*

The AF will support training to be implemented by the Training Advisory and Innovation Centre (TAIC)⁴ as a significant expansion of the ongoing special extension program under the AISP Agricultural Support Services Component. The aim of the program is to raise the level of expertise of trainers in animal feeding and husbandry, concentrating on sheep, goat and cattle production, and to train and advise farmers.

The AF will finance the establishment of a working group of relevant specialists from research institutes, educational institutions and other programs to define the menu of potential demonstration topics and produce a dynamic manual that would form the basis for soil management and animal husbandry demonstrations. The AF will finance livestock demonstrations for a period of two years. Farmers will be invited to participate in field days at the demonstration sites throughout the year to learn new skills and observe the impact of improved feeding and husbandry on animal condition. Demonstration records will also be used during field days to illustrate the financial impact of improved practices. The AF will focus on animal nutrition, winter feeding, and forage management. This will include training and expertise for about 8 people in the Technology and Adaptation Innovation Center (TAIC), service providers and about 200 farmers and herders associated to the demonstration sites. The activity may be scaled up to include PMCs beyond initial demonstration sites if possible.

Topics to be covered include: proper animal nutrition, particularly during winter; forage and silage production and management; conversion of degenerated winter pastures or Land Reallocation Fund land to forage legumes; timely harvesting of forage crops for quality; improved forage handling (e.g., baling, covered storage); silage production of maize in pits; forage supplement with urea; feed supplements and concentrates; breeding, animal reproduction; and livestock housing and hygiene. The AF will allow geographical expansion of the existing AISP special program on animal husbandry to include an additional 210 demonstrations. TAIC will sub-contract the Rural Advisory Services (RAS)⁵ or other service providers to implement the demonstrations. TAIC will be responsible for overall management, development of a

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⁴ The development of TAIC, a public institution, is supported under the AISP Agricultural Services Component. TAIC was established under the IDA-supported ASSP to develop and deliver training material and methodology to the advisory services and to implement training-of-trainers programs, and it has substantial experience in implementing farmer field schools.

⁵ There are six independent Rural Advisory Services (RAS), one serving Chui and Talas oblasts and one in each of the other five oblasts. AISP provides management support to the RAS and contracts them to provide the majority of extension services under the AISP. A number of other smaller rural advisory service providers such as TES Centre in Osh will also be eligible to bid for contracts with TAIC under the special extension program.
training manual, training of trainers, and monitoring the performance of the RAS. EU funding will provide for an additional part-time coordinator at TAIC, the development of training materials, training of trainers, implementation of demonstrations, and wide information dissemination and impact analysis. It is envisaged to train about 50 trainers.

Expected Results

210 demonstrations will be established (2 demonstrations in 15 villages in each of the seven oblasts), approximately half on cattle and half on sheep and goat production, benefiting approximately 8400 farmers per year. Training is planned to be provided through the network of service providers as outlined above.

(b) Training PMCs in Drought Preparedness (EUR 205,828)

The AF will finance a training program, implemented by TAIC as an additional special program under the AISP Agricultural Support Services Component. It will involve the preparation of a training program for PMCs in drought preparedness and the training of trainers. Training topics will include: early warning systems (monitoring precipitation, pasture conditions, livestock conditions, and fodder stocks); strategic destocking; management of fodder reserves; winter feeding; and preparation of a drought management plan. The training will be delivered by extension service providers - primarily RAS and the Training and Extension Service Centre - under contract to TAIC. It will take the form of both classroom-based training and hands-on support to develop a local drought management plan. Each of the 462 PMCs (one per AO) will be trained once for two days within its first year of establishment, starting in 2010. The training complements a wider package of support under the AISP on the legal establishment of PMCs, pasture fee determination and financial management, procurement, boundary mapping, management of pasture infrastructure investments, development of pasture management plans, pasture health monitoring, vaccination planning, and participatory monitoring and evaluation.

Expected results

All PMCs are expected to prepare and implement drought preparedness plans. By preparing for drought, the decline in the number and condition of livestock during dry years is expected to be reduced.

5. Financing

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6. Implementation

The APIU will be the main project implementation agency, providing overall coordination and monitoring of implementation progress under the EU program, and will be responsible for
financial management and procurement. The EU Grant will be managed jointly by EU and the World Bank under a Trust Fund Agreement. EU funds will be disbursed through existing AISP components. Design and implementation of national animal disease programs will be the responsibility of the State Veterinary Department (SVD) under the overall authority of APIU and MAWRPI. No funds have been budgeted for the Project Management Unit (PMU) under the EU Additional Financing; all PMU costs related to the implementation of the EU-financed project activities will be covered by ongoing AISP and Avian Influenza Project.

**Sustainability**
The sustainability of the reformed veterinary service depends on the quality of services being provided, farmers’ willingness to pay, and Government’s commitment to fund the public good services that are critical for the national livestock economy and for the public health. As concerns the services that will be provided by private veterinarians, the project will provide start-up support and the sustainability of the reformed SVD will be much strengthened by the envisaged downsizing and functional rationalization, which will significantly reduce the funding needs for its operations. The sustainability of the brucellosis control program requires that sufficient budgetary funds are provided each year after the end of the project to cover the cost of vaccines and of its expansion to all regions of the country.

**Lessons Learned from Past Operations in the Country/Sector**
Project design was guided by the findings of recent analytical work, including the Agricultural Policy Update (2004) and the Livestock Sector Review (2006), and by key lessons learned from a number of current IDA-funded operations (Agricultural Support Services Project, HPAI Project, Village Investment Project, On-Farm Irrigation Project) in the Kyrgyz Republic as well as from other donors’ operations in the country and from similar projects elsewhere. It builds particularly on the major achievements of the Agricultural Support Services Project (ASSP) and several pilot activities initiated under it (Community Seed Funds, Community Pasture Management) and on the start made in veterinary services reform under the HPAI Project. It also draws on the positive experience gained under the VIP and the OIP with community involvement in local resource management, as well as on the experience in community-based pasture and natural resource management and modernizing agricultural support services, including livestock and veterinary services, in the ECA region and worldwide.

7. **Safeguard Policies (including public consultation)**
The project activities under the *EU Additional Financing* will involve potential environmental risks related to the disposal of expired vaccines and other hazardous materials. In addition, potential negative environmental impacts may arise with respect to: (i) the management of laboratory and medical wastes generated by laboratories; and (ii) the construction activities involved in reconfiguration and rehabilitation of laboratories. The above mentioned risks are small in scale and minimal in impact and can be effectively prevented and mitigated by disposing expired vaccines and other hazardous materials in accordance with international procedures and standards (these disposal procedures will be prepared by SVD with international technical assistance). In addition, care will be taken under the project to prevent or minimize the potential adverse impacts from construction works in three veterinary laboratories (Bishkek, Osh and Kochkor). Overall, the Project is not expected to involve any significant, long-term or
irreversible adverse environmental impacts or trigger any additional safeguards. The environmental benefits of the project’s interventions are expected to outweigh any potential adverse impacts.

The issue has been raised whether OP 4.12 should have been triggered in the pasture component either under the AISP-AF restructuring or under the AISP EU Additional Financing. This issue is being explored through a social assessment which is expected to confirm that OP 4.12 should not be triggered.

This is a community based project under which pastures will be managed by Community Pasture Management Committees (PMCs). Therefore, although the project might result in some restriction of access to grazing lands, it falls under Footnote 6 of OP 4.12, which states that the OP does not apply to restrictions of access to natural resources under community-based projects, i.e. where the community using the resources decides to restrict access to these resources, provided that an assessment satisfactory to the Bank establishes that the community decision making process is adequate, and that it provides for identification of appropriate measures to mitigate adverse impacts, if any, on the vulnerable members of the community. These PMCs are currently being mobilized to include a community NRM (natural resource management) decision making process that will provide for identification of appropriate measures to mitigate adverse impacts. The initial EAMP covered this issue and concluded that the project does not trigger the safeguard policy on involuntary resettlement. The project will not require the acquisition of private land or rights of way over private land. The only reasons why OP 4.12 would be triggered are: (i) if there is evidence that any access restriction decisions arise from an inadequate community-decision making process; or (ii) if actual physical displacement of peoples’ residences will take place as a result of the project. In the unlikely event that one of these contingencies turns out to exist and OP 4.12 does need to be triggered, it should be dealt with through another restructuring at that time.

The AISP environmental management plan will be updated to deal with any environmental risks related to the veterinary laboratories (civil works and waste management) and disposal of expired vaccines and other hazardous materials. The adoption and disclosure of the updated EAMP satisfactory to the Bank is a condition of effectiveness under the EU Additional Financing. Pending receipt of the updated EAMP, the current EAMP remains in effect.

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Safeguard Policies Triggered by the Project
8. List of Factual Technical Documents

- “Recommendations on creation of Focus Groups and on selection of Pasture Committees under the Pilot Program ‘Improvement of pasture management’”, designed by a committee consisting of U. Mambetaliev (APIU), B. Supanaliev (ARIS) and A. Rakaev (KSBA), Bishkek, 2006
- Antoon van Engelen, “Kyrgyz Republic – Agricultural Investments and Services Project: Livestock Services”, consultant report prepared for IFAD, June 2007

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